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MILITARY CONSTRUCTION APPROPRIATIONS FOR 1995

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Military Construction Appropriation...INGS

BEFORE A

SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED THIRD CONGRESS
SECOND SESSION

SUBCOMMITTEE ON MILITARY CONSTRUCTION APPROPRIATIONS

W. G. (BILL) HEFNER, North Carolina, *Chairman*

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PART 6

PACIFIC BASIN CONSTRUCTION PROGRAM



NOV 23 1994

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MILITARY CONSTRUCTION APPROPRIATIONS FOR 1995

TUESDAY, MARCH 22, 1994.

PACIFIC BASIN CONSTRUCTION PROGRAM

WITNESS

ADMIRAL CHARLES LARSON, COMMANDER-IN-CHIEF OF THE UNITED STATES PACIFIC COMMAND

INTRODUCTION

Mr. HEFNER. The committee will come to order.

Today we will discuss programs for the Pacific Basin and related policy issues that impact this region of the world.

Our witness today is Admiral Charles Larson, Commander in Chief of the United States Pacific Command.

This meeting will be in closed session, which we have already voted to do. So those who do not have a Secret clearance, we will ask you to leave the room.

It is good to see you again, Admiral. I trust everything has been pleasant for you in the last couple of years. We will see you again this afternoon in another capacity.

I understand you are retiring. When?

Admiral LARSON. The 1st of July.

Mr. HEFNER. Congratulations on your distinguished career.

Your entire statement will be part of the record and you can proceed any way that you see fit, sir.

STATEMENT

Admiral LARSON. Thank you, Mr. Chairman.

What I would like to do is give you a sense of my four years in the Pacific—where we are and a focus on some of the things I know you are interested in. What I have prepared is a handout of key judgments I would like you to refer to. I will point out a couple of things for you.

I have six things I would like to emphasize in my oral statement. The first is that the Pacific area is certainly a global leader in economic growth. Many of the areas have grown more than six times faster than the global average. The APEC nations have more than 50 percent of the earth's gross domestic product.

We do not have potential hot spots in the Pacific. These have security implications for the United States. The Korean Peninsula is an area where if war starts, we don't sit around debating whether

we are going to get involved or not. We are involved from day one, with our troops on the ground there.

India and Pakistan. I visited both countries fairly recently, and would say that area is far from settled. We have two countries with severe disagreements over Kashmir and other issues. It is in our interest to find a settlement.

The Spratly Islands are contested by six nations, including the People's Republic of China, and they say they will not forswear the use of force. We have kept that area fairly stable.

The Russian-Far East: Russia is an Asian nation as well as a European nation. What happens to Russia and their fragile democracy is yet to be seen.

No area is more important for United States interests now than the Asia-Pacific region. Our economic opportunities are really linked to our future prosperity.

I know the President has made that economic linkage. We cannot disengage. But there is some good news. Democracy is advancing in scope and sophistication. I pointed out in my statement some very good things that have happened to advance democracy.

The people of the Asia Pacific region welcome our presence. We are not just there for their purposes; we are out there because it is also in our best interests. We are trusted. People out there plead with me to stay and stay engaged. I hear that everywhere I go.

I think in the United States there is a growing awareness of the Pacific. I have seen a big change over the last four years. I recently saw an editorial in the Washington Post complaining about an overfocus on Asia—to the exclusion of Europe. That wouldn't even be a question four or five years ago.

The President made his first foreign trip to the Pacific. We have seen several high-level visits. We are carrying out his vision of a New Pacific Community.

The fourth point I would make is that to realize our interests there, we have got to address certain challenges. The first one is the North Korean nuclear program. We may address that in any level of detail you would like to.

We also have some competing vital interests, such as human rights, and security concerns. I think the prime example is China, where we need them desperately for missile nonproliferation and nonproliferation of weapons of all sorts. We need their help on the Korean problem to try to get a negotiated solution. Yet on trade and human rights, we have severe disagreements. We also face potential trade frustrations. We must ensure there is a level playing field for the United States so that with all of the investment we are making in security to create a stable area, we are able to compete on the basis of the quality of our products and people.

OPTEMPO

And finally, readiness. There has been a lot of high-level interest in readiness. It has certainly been elevated to the highest levels of the Department of Defense, including the Secretary of Defense. There are things we need to watch for that will portend a degradation. The first is when we increase the optempo of our forces for routine operations. The second is when we have to transfer funds among our O&M accounts to meet contingencies. The third is when

we have to cancel training, because lost training opportunities are lost forever. We can't make them up.

The bottom line on readiness: the funding is there, but the devil will be in the execution.

The problem with readiness is not in the budget; it is in executing that budget during the year. We have been living off the fat of the land: excess spare parts, ships being decommissioned, Gulf War oil subsidies. The excesses have come out of the budget line and this year is where the rubber meets the road on readiness.

The fifth point I would make is to address those challenges, we have got to match our resources to our strategy. The quality of life is really a linchpin of our readiness. MILCON and the things this committee supervises are incredibly important.

MILCON hit a low point in 1991. In 1992, 1993 and 1994, appropriations were \$367 million; \$470 million; and \$436 million, respectively. In 1995 the President's Budget Submission for PACOM is \$127 million. Whether you call that a MILCON pause or stepdown or whatever, we do have a lower MILCON this year.

Housing is my top quality-of-life issue. When I look at the list I submitted to the Secretary of Defense, people, housing, and quality of life are number one on my list. We have to look carefully at Korea. We have to look at housing across the board. We have to look at housing upkeep in Hawaii. I am concerned about some pressures I see on some of our recreational facilities. All of these focus on quality of life.

Our real property maintenance backlog continues to grow. It is traditionally underfunded by the services. Operational funds must be transferred into plant maintenance to pay 'must-pay' bills.

The bottom line is that we must not mortgage the future.

The final point is I think we are poised to seize a great opportunity in the Pacific. We have a vision of a new Pacific Community based on shared strength, prosperity and commitment to democratic values. We have a theater strategy of Cooperative Engagement. That has been our strategy for two years. It is based on forward presence, strong alliances and in-theater response capability to both deter and win conflict if necessary.

We have had several decades of firm U.S. commitment. I would say now is the time to reap the benefits of that commitment, to stay the course.

And, Mr. Chairman, I would like to thank the committee for your support over the years, during my tenure, for the things that have been absolutely critical to our people, to our readiness and capabilities. It is very much appreciated.

Back in 1986 when I appeared before your committee, I made a plea for the Naval Academy's Brigade Activities Center funding. I would like to tell you that dream has come true. I was down there two weeks ago to visit one of the most magnificent facilities I have ever seen—half of the money raised by the alumni, half appropriated by your Committee.

The Superintendent told me, "I don't know how you ever did the job without this." They have four or five events per week. I thank you for giving us that capability.

I was pleased I was able to come back and see that dream come true.

Mr. HEFNER. I remember that very well, especially the problem they had with the matching funds. It was Packwood or—

Admiral LARSON. Senator Hatfield supported it very strongly. He put a Floor Amendment in to rescue that at one point.

1995 BUDGET

Mr. HEFNER. The 1995 budget proposes a 45 percent reduction from 1994 levels for the military construction program, which is not unique to your programs, but what impact will this have in your area?

Admiral LARSON. I had nine projects approved. I had 10 projects that were approved by the services that were not put in the President's budget. I think there is a chance you could mortgage the future. It is like any deferral. If you put any projects off into the future, you find later on the bill continues to grow.

We had a number of things in there I felt were reasonable requests, but in the overall prioritization by the Secretary of Defense, in looking at the more severe funding environment, it did not make the cut.

Those projects were across the line, from system upgrades, electrical distribution system at Schofield Barracks to two projects at Andersen Air Force Base in Guam, and a child development center at Kaneohe Marine Corps Air Station. So they were pretty much across the board.

Mr. HEFNER. We are always hearing the bad news. Of course everybody is kind of on edge about North Korea, which in all the hearings we have had, we know less about North Korea than we do about any place on earth, if the information we get is correct.

FOREIGN POLICY SUCCESSES

Can you tell us some of the successes, foreign policy successes, some things such as Cambodia peacekeeping? Do we have some success stories?

Admiral LARSON. I think we have some good success stories, Mr. Chairman. One is Cambodia where the people now have a choice for the first time in decades. The U.N. operation there succeeded far beyond anybody's expectation. Its success now is in the hands of the Cambodian people who have elected their government. It is now up to us and the other nations of the world to give support to that government, to give them a chance.

I have sent a survey team in there and we are looking at humanitarian assistance. I met to help them interact with other nations. So I think Cambodia has a chance.

Taiwan is a success story, where they are making a transition to a real democracy. They are more of a multi-party democracy, entering, both in a governmental sense but also in an economic sense, into the Asian region as a force to be reckoned with.

I would say South Korea is a success story. They have an elected President, they have reorganized and eliminated corruption, restructured their military for professionalism and democracy rather than some of the old modes. I think they are moving forward in a very substantial way.

I think Thailand is a success, where after the coup, the military supported a transition to a new democratically elected civilian gov-

ernment with Prime Minister Chuan. They once again are entering the Asian community.

We have really created a climate in Asia of a sense of optimism, where people are looking forward to the future. I think the development of ASEAN (Association of Southeast Asian Nations) and APEC (Asian-Pacific Economic Cooperation) and the ASEAN Regional Forum, all support regionalism, stability, and significant trends toward true democracy. I think a lot of that is because of our involvement in foreign policy.

Mr. HEFNER. Do you think that the Chinese are taking note of these successes and moving to a free-market concept?

I read an article quoting some Chinese leaders as saying they don't have time to think about war, they are too busy making money.

Admiral LARSON. I think the economic progress in China will have a significant impact on where they go in the future. Someone once said you can't have open economies and closed politics. It just can't last forever.

The more they open up, the more people come in. The more investment you can get into China, the more it will lead to the creation of a middle class, which demands freedom and openness.

I don't think it is going to be overnight. I think the political system will be slow to change. The current system, Deng Xiaopeng and Li Peng, have their credibility from the Long March; that is where they get their credibility to govern the people. The next generation will have to develop their credibility, and it will have to be by the economic well-being and prosperity of the people.

That is why the next regime will want to protect the present system. They are going to have to continue to improve the lives of the people to establish the credibility of their rule

KOREAN PENINSULA

Mr. HEFNER. You have got to believe that in North Korea, that with all the surrounding areas, the masses of people, some of that has got to come into a closed society like North Korea, doesn't it?

Admiral LARSON. Very little. They are very closed in their radio broadcasts. People aren't allowed to move around the country very much. They have few automobiles, they move by bicycle.

I am like you, Mr. Chairman. We don't know any more than you do. The people who visit there really come back with a story of a really isolated people.

More importantly than that, I think the leadership is looking through a prism on the world that is not very accurate. I don't think Kim Il-Song and Kim Jong-Il really understand or appreciate how we view them. So the distorted view of the leadership and the isolation of the people makes for a very strange situation.

Mr. HEFNER. That is putting it mildly, I would say.

I have some other questions, but I will keep them for later.

Mrs. Vucanovich?

Mrs. VUCANOVICH. Thank you, Mr. Chairman.

Thank you, Admiral.

Yesterday the International Atomic Energy Agency censored North Korea for refusing to allow inspectors full access to the Yongbyon laboratory last week and we are anticipating a vote by

the U.N. Security Council calling on North Korea to reverse its stand on the U.S. role in providing joint exercises.

We hear Patriot missiles are en route to South Korea.

My question is, if these efforts are unsuccessful, what additional options are under consideration?

Admiral LARSON. I think the next logical option is to go to the United Nations Security Council and ask for sanctions, economic sanctions on North Korea.

The purpose of the sanctions would not be punitive but to really show them that the world is serious, and hopefully convince them to moderate their stand and to again allow the inspectors to enter the country.

Mrs. VUCANOVICH. They certainly seem to push everything right to the edge. I don't know whether that is just their attitude or whether they really do have something to hide.

Under the scenario that we are in now, do you anticipate we would send additional troops to South Korea?

Admiral LARSON. My sense is that as we approach the danger—the danger period is sanctions. Anything we do up to the period of sanctions in the way of exercises and other things will be tolerated by them, although there will be a lot of strong rhetoric.

If we move to sanctions, that is a new area, and it is unknown as far as provocation versus driving them into more cooperation.

Patriot is a good example of something you would want in place before sanctions.

I am working very closely with General Luck and the Chairman of the Joint Chiefs of Staff on Patriot deployment.

Mrs. VUCANOVICH. Having been up there a couple of times in the DMZ and seen how close we are, I just wonder how you can avoid a military confrontation unless—I come from a military family. You have got to have a B Plan after you have an A plan.

I just wonder what the B plan is if we do everything we are supposed to do and we get the U.N. sanction, then what happens?

Are we going to be in a military confrontation with them?

Admiral LARSON. I certainly hope not. And I think North Korea understands. I think the President has made it very clear that they cannot win a military confrontation, and if they attack the South, then the government of the North will cease to exist.

Mrs. VUCANOVICH. I wonder if they understand that.

Admiral LARSON. I think it is important. We have tried through the allies and everyone else to make sure that message is delivered to them very clearly.

Mrs. VUCANOVICH. Is Japan with us on all of this? Are they communicating with North Korea?

Admiral LARSON. Yes, they are. I was in Tokyo a week ago and the Secretary of State was in our two-plus-two, conference where we had State and Defense people on both sides meet. We had close consultation with the Japanese and they said they would be sure to deliver that message.

President Kim Yong-sam of South Korea is in Beijing right now and we are hoping he will deliver the same message via the Chinese back to the North Koreans.

So we are using every avenue we can to get that message to them.

Mrs. VUCANOVICH. They certainly push it as far as they possibly can.

Admiral LARSON. They certainly do. I don't mean this lightly, but if someone asks how are things going there, I have to ask what day it is, because they have ups and downs.

Mrs. VUCANOVICH. One day they are going to allow the inspectors in, next week it is just like they never agreed to anything before and they change their minds.

Admiral LARSON. I am convinced they have something to hide. They are trying to decide how far they can go without getting caught. Is it worth the risk of getting caught to get that extra mile of recognition, economic assistance, and all the things they need so badly? Is it worth the damaging loss of face to get all the rewards that come from a third round of negotiations with the United States? They must be debating it internally.

Mrs. VUCANOVICH. If they have an atomic bomb, what do we do? We are not going to lob Patriot missiles in there, are we?

Admiral LARSON. No, Patriots are strictly defensive. I think the first thing we have to do is cap whatever they have got, stop whatever it is, and then reassess what that means to the security of the area.

WEAPONS PROLIFERATION

Mrs. VUCANOVICH. I have one other question. ———

Next to Korea, what countries do you see as a concern to the United States?

Admiral LARSON. If you look at the tactical ballistic missile development, some of those are friends and allies, and some are potential adversaries. We are looking at North Korea, we are looking at Vietnam, we are looking at Russia, we are looking at South Korea and the People's Republic of China, that have actual ballistic missile programs that are operational. We are looking at India, that has both a medium and long-range missile under development that is fairly far along in the R&D stage.

We are looking at Taiwan, who suspended their program in the research phase, and Japan, who has the technology but has elected not to develop it.

My big concerns would be Russia, China, and North Korea at this time, and what they might do with their programs. All three of those nations to some extent, particularly China and North Korea, tend to sell things. So the proliferation aspects are almost as worrisome as the fact that they have the programs.

Mrs. VUCANOVICH. Thank you, Mr. Chairman.

I have a few other questions, but Korea is my concern.

KOREAN PENINSULA

Mr. HEFNER. We had General Luck in, and we have had a long relationship with him. We are talking about North Korea, which everybody is concerned about. Even though it is a very closed society, probably more closed than Albania and all these other countries, but you have got to believe that some of the younger people that are there have got to know what the story is, because they are

not totally oblivious to what is going on in the world. I just have got to believe if we can manage to get our way through the next few years, that time is on our side, given the fact that all these other countries are moving away from the confrontational—North Korea has got to know there is no future for them in a war with the South.

Admiral LARSON. Absolutely.

Mr. HEFNER. They have got to know that, even officers at the lower level have got to know that. They have got to know if it gets to that point that we might not have any other choice but to go nuclear very quickly.

So I would hope we can muddle our way through it for the next few years, and maybe some changes will take place there.

Admiral LARSON. The trend that appears irreversible is the economic deterioration.

Mr. HEFNER. I was going to ask that, too. What kind of sanctions, what can we do on sanctions?

Admiral LARSON. The most effective thing we can do is sanctions. They get 70 percent of their oil from China.

CHINESE INVOLVEMENT

Mr. HEFNER. Will the Chinese cooperate?

Admiral LARSON. That is the key issue. This is the dichotomy I mentioned in my statement. We really need China to help us with North Korea. To support us in the United Nations to either abstain or vote for us in the Security Council. We need China to enforce the sanctions, for oil, coke, and some fair amount of grain that goes across the border there.

If China decided to shut them down sanction-wise, it could have enormous influence. On the other hand, we have the human rights issue where we are beating them up, and on the other end we are asking for cooperation. These issues come together at a very inopportune time.

Mr. HEFNER. I remember the last time that I voted for Most Favored Nation's for China, the airwaves were covered with Chinese workers taking our jobs in North Carolina, and I voted to give away our jobs in North Carolina. So it becomes a political issue, which is kind of unfortunate. But that is the way politics is.

Everybody here feels very strongly about human rights issues in China, slave labor. So it is a tough issue.

Hopefully we will be able to muddle our way through without blowing each other up over the next few years.

Admiral LARSON. The best thing would be if we could get some sort of economic assistance where we have people going into the country and opening up information. My concern would be, are the soldiers and officers and people there in the structure totally isolated by the leadership or how much do they know? If the leadership can keep them isolated, they can make them believe they are "King of the world."

POSSIBLE NORTH KOREAN ACTION

Mr. HEFNER. ———

Mrs. VUCANOVICH. That is what is scary.

Admiral LARSON. When you go into the DMZ, you can see hate in their eyes from the soldiers in the North.

Mr. HEFNER. Mr. Foglietta.

Mr. FOGLIETTA. Thank you, Mr. Chairman.

Thank you, Admiral, for every interesting and informative presentation. I am also concerned with the Korean Peninsula, and having been there on very few occasions, I understand that we are sending Patriot missiles there, I understand they have censured North Korea, and the United Nations is talking about sanctions. However, I am sorry to say it is my conclusion, notwithstanding the fact that in an armed conflict they would be defeated by the South in not too long a period of time and probably be wiped up, the fact is I believe Kim Il-Song, if he believes that his country is going down economically or any other way, he will attack.

I see no hesitation on his part. I see no hesitation on the part of the army to follow him. And again, knowing something about the basic philosophy of the people there, the one thing that must be given is an honorable way out, a way for him to, so-called, save face.

With that in mind, are we pursuing talks? We cut off the talks. What is your opinion of what talks should be continued and what we should be doing with them?

Admiral LARSON. We have done the right thing, which is to go the extra mile with prudence and patience. There has been criticism that we are patsies or we have been too soft. We have to keep in mind our strategic objective, and that is a non-nuclear North Korea, a non-nuclear peninsula, and no war.

So you can argue about tactics, and that is what most people get involved in. But I think we have to keep that overriding objective I mind. I think we have done a good job of keeping our eye on that objective.

All of these talks and concessions, if you will, giving up TEAM SPIRIT and a lot of this, is important. I think, we do this not only for the North Koreans but for our other allies—for China, the United Nations, the Security Council, and everybody else. To get the support for going that extra mile or sanctions or whatever we have to do, we have to prove we have done everything we can to try to get a negotiated settlement.

I truly believe, in watching this unfold and going through my days of hope and days of pessimism, that the time really has come at this moment to do exactly what we are doing. That is, to say we are now going to the United Nations, and unless you let the inspectors back in and start the exchange of envoys with the South, we have nothing more to dialogue with you about.

We are willing at any time to restart the dialogue, but the reciprocal gesture is in their hands right now. We are willing to go to a third round if they meet the two conditions, exchange of envoys and letting the International Atomic Energy Agency (IAEA) complete their inspections.

I think at this point this is the best posture we can take for the North. I do think there is a ray of hope that they will get a wake-up call and realize we are serious. There is a limit to patience and there is a line beyond which we just can't go.

Mr. FOGLIETTA. I believe we can do all the things we are doing as well as continuation of the talks. I just don't like the idea of cutting off the communication that we have had with them. That is just my opinion.

CHINA

Let me go to China. Realizing how strategic they are to the security in that region, as well as the economic development in China, how distinctly can we eliminate consideration of human rights in connection with these other areas, military or economic? Can we just isolate it totally, or do you think there has to be some connection between the two?

Admiral LARSON. Mr. Foglietta, I think all of us believe strongly in human rights. It is part of our basic psyche, it is part of our ideals in this country. I think we have to pursue policies that allow us to stay in conscience with human rights.

The real question is linkage. Do you pursue human rights aggressively as a separate agenda, or do you link human rights with trade?

I would say that some of the great minds of Asia and some of the leaders of Asia that I admire very much told me they feel we should delink it and pursue it separately. We can have a comprehensive approach to China and pursue the North Korean problem. We can look at integration of the military into their society, and exchange with them on all levels as we pursue those things separately, so that trade remains independent of a linkage.

There is a linkage now, there is an Executive Order, and the real issue is if we can get progress from China this year that would satisfy the conditions of that Executive Order. There has been either movement or pledges in all seven areas. Secretary Christopher yesterday afternoon talked about this. If we can get through this next session, then I would say we should look to the future to a possible delinkage so we don't go through this after June.

QUALITY OF LIFE

Mr. FOGLIETTA. Getting into the quality-of-life issue for our troops, both in Korea and in Japan and the host nation funding for the construction that is taking place, having been in both areas, I see such a difference between what is happening in Okinawa, for instance, where the Japanese are doing extremely well in providing good quality-of-life housing and other facilities and that is happening in South Korea, absolutely not happening.

Some of the conditions our service people are living under are just abominable.

We are doing so much with South Korea, for South Korea. Should we be putting pressure on them in some way to really start to improve spending on the quality-of-life facilities for our troops?

Admiral LARSON. You have hit a very good point, Mr. Foglietta, one that is close to my heart. And yes, we really should be, and we are.

The issue is, when you compare Japan and Korea, that both of them had a country devastated by war. It is just that Korea's was devastated almost a decade later, so the recovery started about a decade later.

We didn't ask Korea to start giving us host nation support until 1988. That is the time we thought their economy had recovered enough that they could start paying their part of the share. And it has grown from about \$45 million in 1988 rather consistently up to \$220 million in 1993, a pledge of \$260 million in 1994, and a pledge to assume one third of our own-based stationing costs by 1995.

I think we are on a reasonable track with the Koreans to try and accomplish that.

That is in a country where they are spending 4.5 to 6 percent of GNP on their military. So, they have significant other expenses.

The real issue is, how do we get down to the type of money that will allow us to build facilities?

In 1993, we got them to devote \$50 million to funding joint operational-type facilities, and about \$40 million to U.S. quality of life type facilities—the type that you see in Japan. Of course, Japan is up to funding almost a billion dollars a year now for those types of facilities.

Our 1994 goal is about 30 percent for the joint operations facilities and 70 percent for the quality of life facilities we could fund. I think what we need is a combination of trying to move, in my view, and am sure General Luck agrees, all of that money into a program where we can spend it on any required projects rather than just joint projects, and also try to increase the pot of money available.

Mr. FOGLIETTA. When you see this, we are going to see new facilities?

Admiral LARSON. I think it will take several years before we can make an impact. The plea I would make to this committee is to allow us to supplement current programs with some U.S. MILCON in the interim so we could start improving our facilities. Then, let us fight for a combination of increased Korean host nation support with this supplement of U.S. MILCON.

Mr. FOGLIETTA. Thank you.

Mr. HEFNER. We are trying to work with the Defense Subcommittee. We are going to try to do something to help General Luck in Korea.

There again, we have got a very fine line that we have to walk here. You know, there is a lot of people—times have changed so much. There are a lot of people out there that even question why do you have people who have troops in Korea, with an economy like that. Things are not like they used to be.

We are going to try to do some things. We have got to be very—it is like the old joke that Andy Griffith had years ago when the guy said he found a bug in his soup. He said, "Be quiet. Everybody wants that."

We have got to be careful what we do and how we do it, because we just don't have the money—people say, Why are you closing bases here, and you are sending money overseas, and it sounds awfully simple, but unfortunately all the Members here don't get into these closed hearings and don't know what the truth is.

We are going to do the best we can with those areas. We are going to talk with General Luck, and maybe we can get some relief from some of these dire cases.

We mentioned in years past we had a "pause". This is probably one of the few committees, even in real dollars, it is lower than we were five years ago. And we don't think they put enough priority on quality of life issues. And we harangue them year after year.

Mrs. Bentley.

BURDENSARING—LIVING CONDITIONS

Mrs. BENTLEY. Thank you, Mr. Chairman.

Admiral, I was glad to hear you say that you are working on the burdensaring portion of Korea, and that by 1999 it will be two-thirds?

Admiral LARSON. That is our goal. Yes Ma'am.

Mrs. BENTLEY. It is a good goal. I wish it was 1994, because I think their economy is good enough that they can do it. But something is better than nothing, and I guess we have to take that.

What are the facilities over there for our military personnel in Korea? Because we have been hearing some pretty drastic stories about conditions that our personnel are living in, the privates. Of course, you are the Navy. The Navy has better billets. But even on some of the Navy ships, I have heard some real criticism.

Admiral LARSON. Mrs. Bentley, the facilities are very old and they are inadequate. We have some of the troops living in Quonset huts. We have some of the troops living in facilities where they have to walk outdoors to the latrine. A lot of those date back to the Korean War days.

A lot of our troops are over there on an unaccompanied tour, so their choice is to live in these inadequate facilities or to try to find something out of town, which is even harder in some cases.

The story is we have fallen behind. The troops hunker down over there, they are in the field, they are used to this sort of thing, but that doesn't mean we should tolerate it. We should fight to improve their quality of life.

Mrs. BENTLEY. Why hasn't there been an effort in recent years to turn this around?

Admiral LARSON. I think the real reason is the reluctance to make that type of investment overseas. The MILCON went down to zero overseas before the Korean issues started coming up. So we had our own pause. We diverted O&M funds and did some other things within our limitations to try to improve the quality of life. General Luck now has a plan and program to modernize facilities at 30 enduring installations. He has a long-term, 15-year plan to try and improve quality of life there.

Mrs. BENTLEY. Since our concern is, as you said, investing that kind of money overseas, why don't we get the host country to do it? Why shouldn't we make that one of the criteria for our troops being there, that they provide decent facilities for them?

Admiral LARSON. We certainly are working with the Koreans, trying to do that. We are working with them in a number of areas, trying to get them to spend more.

Another area is prepositioning of equipment, which will require some expensive construction and warehousing and climate control and things like that. So we are working a number of areas at once, all of which involve asking them to spend more money on our behalf.

Mrs. BENTLEY. Have they been inclined to go along with it or not?

Admiral LARSON. They have thus far continued the upward trend of moving toward the pledge of one-third by 1995, and in negotiations each year have stayed on that curve.

Mrs. BENTLEY. Is that just O&M or is that going to be structural facilities?

Admiral LARSON. It is really one-third of the stationing costs of U.S. troops being there, so it is across the board, MILCON and O&M.

NONPROLIFERATION TREATY

Mrs. BENTLEY. If North Korea does withdraw from the Nuclear Nonproliferation Treaty, what sanctions automatically apply, if any? What other alternatives do we have?

Admiral LARSON. Mrs. Bentley, nothing automatically applies as far as sanctions upon withdrawal from the treaty. What would have to happen is we would have to take that to the United Nations Security Council and the Security Council would have to act and determine what kind of sanctions would be effective.

INTERNATIONAL ATOMIC ENERGY AGENCY

Mrs. BENTLEY. Does North Korea have a delegate to the International Atomic Energy Agency?

Admiral LARSON. I do not believe they do. I can double check that for the record.

[The information follows:]

North Korea does have a delegate to the International Atomic Energy Agency, and Counselor Yun usually attends.

Mrs. BENTLEY. Who are the 35 member nations of the IAEA?

Admiral LARSON. I can provide that for the record.

[The information follows:]

As of October, 1990 there were 112 member nations. The 35 nations who comprise the Board of Governors, International Atomic Energy Agency are listed below.

MEMBERS OF THE BOARD OF GOVERNORS, INTERNATIONAL ATOMIC ENERGY AGENCY (1993-1994)

Argentina, Australia, Brazil, Canada, Chile, China, Colombia, Cuba, Egypt, Ethiopia, Finland, France, Germany, Hungary, India, Indonesia, Ireland, and Italy.

Japan, Lebanon, Libyan Arab Jamahiriya, Malaysia, Nigeria, Paraguay, Philippines, Poland, Russian Federation, Saudi Arabia, Sweden, Switzerland, Syrian Arab Republic, Tunisia, United Kingdom of Great Britain and Northern Ireland, United States of America, and Ukraine.

Mrs. BENTLEY. Is there anything that can be done to persuade North Korea that the IAEA is not a threat to them?

Admiral LARSON. I think that North Korea really still tends to believe that the IAEA is a puppet of the United States, and that we can manipulate, change the standards, do whatever we want to do. It is even obvious in some of my intelligence and the things that I have read that China has even asked us, "Can't you have them be a little easier or back off or something like that?" We have tried to make it very clear to both nations that they are independent and they have standards and they feel very strongly, particularly after Iraq, that they are not going to be taken for granted.

We are working very hard to deliver that message to both those countries, on parallel paths, that they are independent and their findings will be acted on by the Security Council.

Mrs. BENTLEY. The 35 members all have a voice in it?

Admiral LARSON. Yes, they do.

PATRIOT DEPLOYMENT

Mrs. BENTLEY. What is the schedule for the Patriot missile deployment?

Admiral LARSON. I expect the Patriots to be shipped by sea and to be in country by late April. The shipment will begin as soon as we can get the equipment moving.

TEAM SPIRIT EXERCISE

Mrs. BENTLEY. What are the options for scheduling the TEAM SPIRIT exercise?

Admiral LARSON. There are a number of options for TEAM SPIRIT as early as April. If we did, it would probably consist of air and maritime forces with a computer-driven CPX or command post exercise with the headquarters' staffs.

On the far end of that spectrum, we could target a lot of resources for TEAM SPIRIT 1995, which would be next spring, and have a much, much larger deployment, much like the old reforgers in Europe.

When we talk about ground maneuvering, larger ground exercises in Korea, we have to program that primarily around the farmers and the rice crops and things. So we are running into a deadline on maneuvers in the field, which will be there until late next fall. But we do have a number of exercises going on next fall anyway.

So the real questions are, do we want to target for TEAM SPIRIT 1995, or do want it in April of this year? We are looking at all the options right now to see how we can do that.

PATRIOT DEPLOYMENT

Mrs. BENTLEY. Why is North Korea making such a strong response to our decision to deploy Patriot missiles to South Korea?

Admiral LARSON. It is hard for me to determine because I cannot believe they do not understand it is a defensive system. I think it is part of their overall propaganda.

I think their ultimate goal is to get the United States off the peninsula. I think if they object to Patriot, the next thing they could object to is a number of ongoing force upgrades, modernization and enhancements we had planned as routine upgrades to our capabilities there.

I think they feel that if they take every one of these on as a political issue, they can drive a wedge between us and the South Korean government. And, number two, they can work towards their goal of getting us off the peninsula.

Mrs. BENTLEY. How much of the Patriot missile has been produced in the United States today?

Admiral LARSON. It is made by Raytheon, and I am not sure, as far as sub-components. But I can check and provide that for the record.

Mrs. BENTLEY. I would like to know, because after the Gulf War there was a flurry of information that a lot of it was going to be manufactured in Germany and some of it is in Japan. I think we do the—actually in my district, we do the fuse. I am just curious what is happening with it today.

Admiral LARSON. I know a lot of our weapons subcomponents in the past have been foreign, foreign procured. We can check that.

Mrs. BENTLEY. Why? Why are we spending so much of our money overseas when we need the jobs in this country?

Admiral LARSON. I think it is a matter of is the industry there, is the capability there in our country?

Mrs. BENTLEY. If it is not, we have got real troubles, haven't we?

Admiral LARSON. Yes, Ma'am.

[The information follows:]

The exact number produced in the United States is unknown as Patriot missiles have been assembled not only in the U.S. but also in Germany by Martin Marietta, the sub-contractor for Raytheon. There is a German firm that is contracted by Martin Marietta for the actual assemblage of the Patriots in Germany.

All Patriot missiles have two component parts, the gyro and the accelerometer, that are manufactured in Israel. These parts account for less than 1 percent of the entire missile. In addition to these two components, all of the Patriot missiles assembled in Germany have four component parts that are manufactured in Europe. The warhead, travel wave tube, and safe and arming device are manufactured in Germany, and the Patriot canister is manufactured in the Netherlands. This amounts to approximately 10 percent of the entire missile.

U.S. TROOP STRENGTH IN REPUBLIC OF KOREA

Mrs. BENTLEY. I started to ply through their statement, which looks to be very, very detailed and very all-inclusive of everything. I haven't had time to read it. But one last question I will ask you today. You may have touched on this when I wasn't here.

What is the current U.S. troop strength in South Korea.

Admiral LARSON. About 36,000.

Mrs. BENTLEY. That is down from what, 50?

Admiral LARSON. That is down from just about 50,000.

Mrs. BENTLEY. Do you think that is going to be the level we are going to stay at?

Admiral LARSON. Mrs. Bentley, we had a plan a couple of years ago to withdraw another 6,500 Army troops, about the equivalent of a brigade. That was put on hold because of the North Korean nuclear problem by Secretary Cheney. It has been reaffirmed by Secretary Aspin and now Secretary Perry. In the Office of the Secretary of Defense we are now doing a reassessment of the entire security situation in the Asian security region. We will look at force levels and things on into the next century.

My view is that that level will stay there unless we see a security reason to bring it down. Even looking at a unified Korea at some point in the future, we need to look at what our security interests are in Korea, and would a presence in Japan and Korea still be a good investment for the United States.

My view is certainly in the near term, we will not reduce that figure.

JAPANESE BURDENSARING

Mrs. BENTLEY. I don't even know this off-hand, I don't know if it is mentioned in your statement, but what part of burdensharing is Japan assuming now for our troops?

Admiral LARSON. Japan will assume 73 percent of the stationing costs by 1995 and they are well on track to do that. It will be about \$3.5 billion a year.

SHIP REPAIR IN JAPAN

Mrs. BENTLEY. How much of our ship repair work are we doing in Japan these days?

Admiral LARSON. We are doing ship repair work in Japan for the ships that are home ported in Japan, as far as basic maintenance and routine upkeeps. When any of those ships becomes readied for a major overhaul, they return to the United States, have their major overhaul there, and are replaced by another ship that is being overhauled in the United States.

Mrs. BENTLEY. The major overhauls are done here?

Admiral LARSON. Yes, Ma'am.

Mrs. BENTLEY. It seems to me one of the major vessels that several hundred million dollars was spent on over there, recently, last four or five years.

Admiral LARSON. We do have an aircraft carrier that needs extensive work to keep it on line. It is maintained in the overhaul cycles, so there would be a fair amount spent on that. That capability is very important there, in a strategic sense.

Mrs. BENTLEY. Which carrier is it?

Admiral LARSON. The USS Independence. We had the USS Midway before. That was relieved a couple of years ago and came back for decommissioning. Midway served us well.

My father-in-law was the eighth commanding officer. She served us almost 50 years.

Mrs. BENTLEY. Thank you, Mr. Chairman.

MILCON IN THE REPUBLIC OF KOREA

Mr. HEFNER. Thank you.

I have a couple of questions before I go to Mr. Callahan.

How much would it cost and how long would it take to buy out the barracks and dining facility deficiencies during installations in South Korea, and please submit forms 1391 for the highest priority projects totaling about 30 million that are executable in fiscal year 1999?

Admiral LARSON. General Luck did a complete job reviewing his 30 facilities or bases where he is going to concentrate his forces. Over a 15-year period, it would take a total of about \$2.1 billion in construction for modernization.

He would like to do about \$30 million a year in MILCON to supplement host nation support and nonappropriated funded construction. I will submit those forms for the record. We will give this high priority.

[The information follows:]

The Army is in the process of completing the DD Form 1391's for the two highest priority projects in Korea. The following is preliminary data extracted from those documents:

Project #1: Construct a standard-design barracks and company operations facility at Yongsan Garrison, Korea. Total cost: \$6.5 million.

Construction includes a 40,000 square feet standard-design barracks and a 7,742 square feet company operations facility. Additional installation includes an intrusion detection system. Supporting facilities include utilities; electric service; fire protection and alarm systems; exterior lighting; paving, walks, curbs and gutters; parking; storm drainage; sewer systems; information systems; and site improvements. Heating will be provided by a self-contained oil-fired system. Air conditioning: 65 tons. Additional work involves demolition of 7 buildings (9,783 square feet) within the footprint.

Project #2: Construct four standard-design barracks and three standard-design company operations facilities at Camp Casey, Korea. Total cost: \$24.0 million.

Construction includes four standard-design barracks (40,000 square feet each) and three company operations facilities (7,742 square feet each). Additional installation includes intrusion detection systems. Supporting facilities include utilities; electric service; fire protection and alarm systems; exterior lighting; paving, walks, curbs and gutters; parking; storm drainage; sewer systems; fuel oil storage tanks; information systems; and site improvements. Heating will be provided by self-contained oil-fired systems. Air conditioning: 250 tons. Additional work involves demolition of 30 buildings (63,195 square feet) within the footprint.

The U.S. Army Corps of Engineers design/construction agent estimates that construction contract award for these two projects can be accomplished in the third quarter of FY 95.

BURDENSARING

Mr. HEFNER. This committee several years ago, when Ralph Regula sat there, we started talking a lot about host nation support, and nobody took us very seriously. They have a subcommittee now, I understand, on the authorizing committee, of host nation support, the Burdensharing Subcommittee, they call it, and it became a big issue in Presidential campaigns. So at least we are getting it on the front burner.

And the lady mentioned, why, it is in South Korea's best interests to have us there, but the thing we are so bad at, we go someplace, and we don't have any leverage. They say they are not going to leave, it is in their best interests, so they bluff us down, and we are not going to leave because it is in our best interests.

So we are not very good negotiators. ———

Admiral LARSON. I have seen an evolution over the last four years that I have been out there, from telling the Japanese to do more to holding them up as a model for the rest of the world. We have made enormous progress with them.

I am totally satisfied in Japan now that they have the proper levels of support. The dollar value is enough to support me.

I would like to see more of that money spent on O&M projects, and also for operations and renovation, repair and reconstruction projects. That is where we are working with the Japanese now, for that type of flexibility.

Mr. HEFNER. I think the countries in your jurisdiction and all over the world don't begin to think like a lot of people do here. There is no superpower out there, no real need for us to spend these amounts of money.

If you put it to a vote to the American people, they would probably vote overwhelmingly to bring all our troops out of Korea. Hopefully, they are not going to do that.

Admiral LARSON. Without an understanding of what it means.

Mr. HEFNER. Absolutely. They say there is no real threat, and there may not be a real threat as such but there are problems. And we have got people stationed there. We believe that it is our responsibility to see that they have a decent place to live.

Mr. Callahan.

SHIP REPAIR

Mr. CALLAHAN. Thank you, Mr. Chairman.

I am sorry I am late. Admiral, sorry I missed your testimony.

Following up on Mrs. Bentley's question, one, I think with respect to heavy maintenance on your ships, how about those ships in the military or Sealift Transport Command that are running between Japan and Okinawa and Japan and Korea?

These things have to be overhauled extensively, major overhauls periodically. And we have been encouraging them to put in a cycle where after two years they come back to the United States.

What are we doing with respect to that?

Admiral LARSON. Mr. Callahan, the Military Sealift Command ships don't come directly under my jurisdiction. So I would have to check and provide for the record exactly what their maintenance expenses are.

[The information follows:]

Military Sealift Command Far East advises there are no scheduled Navy ships delivering cargo within USPACOM. However, occasionally, a ship is tasked to support exercise or other short term missions. When this occurs, HO Military Sealift Command gets involved to select the best ship for the mission on a case-by-case basis.

Cargo is transported using commercial means. The container ship movement program operates from the West Coast to Korea, Okinawa, Guam, Japan and other destinations. Cargo is offered to commercial carriers by the Military Traffic Management Command, a component of USTRANSCOM.

There are three craft in the ready reserve fleet. The refuelers are maintained by Crowley Marine. They are tasked by USCINCPAC in event of a contingency. The maintenance program is part of the contract and Crowley Marine handles all aspects.

Mr. CALLAHAN. I think the Navy ships like the carrier, sometimes you guys fudge a little bit, but for the most part you do bring them back for major overhauls, but we are having difficulty with those other ships. I think that comes under the Department of the Army, I guess. I don't know.

Mrs. BENTLEY. Admiral Clair is in charge of that.

Admiral LARSON. It is under the Transportation Command, Military Sealift Command is under Transportation.

KOREAN PENINSULA TROOP STRENGTHS

Mr. CALLAHAN. The second thing is, back to Korea, if we have 36,000 troops there, North Korea has I think 600,000 people sitting on the border, and South Korea has a total OPS services of about 500,000. What are the total troops that North Korea has?

Admiral LARSON. About a million troops, and they have about 65 percent of those within 75 miles of the DMZ.

Essentially the Wonson-Pyongyang corridor. They have about 65 percent of their troops, about 65 percent of their mechanized capability, about 40 percent of their air force, and about 60 percent of their naval forces are below that line.

Mr. CALLAHAN. If they have got 750,000 troops within 75 mile of our 36,000, if I were one of those 36,000, I wouldn't sleep well at night thinking that all of the problems that we are having, all the threats that are being made, and all of the lack of cooperation that North Korea is giving us.

I know you are concerned. I don't mean to say you are not concerned. But why should we have the exposure of 36,000 troops that close to such a tremendous threat?

Admiral LARSON. Well, Mr. Callahan, our 36,000 people, which includes Air Force as well as Army troops, are totally integrated into the Combined Forces Command structure with 700,000 South Korean Army and Air Force personnel. We have got a lot of confidence that our combined capability along with our Korean allies, we are very strong and very professional, is not only a strong deterrent, but is a capability that would defeat the North if they started a war.

Mr. CALLAHAN. If we keep on downsizing, will North Korea have a larger manpower-wise military than the United States?

Admiral LARSON. We are approaching that point. We are headed toward 1.4 million. There is some talk of going to 1.2 million, and they are about a million. So we will be pretty close.

Mr. CALLAHAN. What are they, the third largest in the world right now?

Admiral LARSON. I would have to check that. We have the top seven in the Pacific. I know they are in the top seven. So they have to be in the top three or four.

Mr. CALLAHAN. It is just concerning to me that—the only thing I hear is what I hear on television. But what I am hearing on television I don't like. And that is the President saying that he is not going to tolerate this, and we are going to beef up our support of our people there, and I want to beef it up, but you have got to beef up a long ways from 36,000, even though you have got 600 something thousand Koreans there, you are talking about a country with a nuclear capability, we think, at this point.

And I don't think they would use it, but I wouldn't—I am just very uncomfortable about that. And I know you are as well.

Admiral LARSON. Yes, Sir. Our strategy, Mr. Callahan, depends upon the things that we do well which is massive air power, maritime operations, intelligence, and technology, and supplemented by South Korean ground forces.

Mr. CALLAHAN. We already did that once in history in Korea, and I don't want to do it again.

Admiral LARSON. That is correct.

Mr. CALLAHAN. And I know we are strong. We are stronger than in 1950.

Mrs. BENTLEY. Sure were.

Mr. CALLAHAN. I am not out to prove who is the strongest, I just am concerned about the vulnerability—I am not concerned about the quality of our military. I know we are the best. I know that those 36,000 troops, Air Force, Navy, Army men and women are the best in the world. I am not concerned about that. ———

Admiral LARSON. Yes, Sir.

Mr. CALLAHAN. I just wanted to say that.

Admiral LARSON. I want to comment. I wouldn't want this to pass by without a comment on 1950. I would submit that in 1950 we were very much less ready than we are today. In 1950 we had a hollow force and hollow Army unprepared to go to war. Task Force Smith, the first deployed, was absolutely slaughtered on the battlefield. There is a lesson that we have vowed never to repeat, to go back to a hollow force and submit people to combat.

Mr. HEFNER. If the gentleman would yield?

Mr. CALLAHAN. Yes, sir.

NORTH KOREAN FORCES

Mr. HEFNER. I think there is some differences of opinion about how good the North Korean soldiers are. I don't think there is any doubt about how dedicated and fanatic they are, but I think there is an awful lot of debate how good and how well fed and how well kept they are. We had some, in some hearings we heard that they either come across—they had gotten some North Korean soldiers and they were very malnourished, weighed 100 to 110 pounds—they are not very big anyway—but there is some argument about how well fit they are overall. I don't know whether that has got—like I say, nobody knows.

Admiral LARSON. We don't have good insight.

Mr. HEFNER. These are isolated incidents and I am not questioning the fact—the fact that 36,000 Americans are there is a deterrent to the North Koreans.

Admiral LARSON. That is right.

Mr. HEFNER. Like the gentleman said, if they have a nuclear device, they would have much difficulty delivering it.

Mr. CALLAHAN. We will go a little further back in history to the Alamo. We were a better trained group at the Alamo, and our civilians fighting in the Alamo were superior to the 6,000 people who came across the border, but the sheer numbers ultimately got to us at the Alamo. I am sure our troops are the best and I am sure that North Korea is not anywhere near as professional as we are, but when you have a million men, 36,000 people can't stand up to them.

Mr. HEFNER. I understand that, but—we have glamorized a lot of the guys at the Alamo, but a lot of history would have told us if they would have gotten out—they were not exactly role models.

Mr. CALLAHAN. I don't want to step on John Wayne's toes.

Mr. COLEMAN. In that event, as a Texan on this committee, I will now take some time, Mr. Chairman.

If you would yield to me?

Mr. CALLAHAN. Sure.

Mr. COLEMAN. They came across the border, it is fairly interesting—

Mr. HEFNER. The gentleman still has the time.

Mr. CALLAHAN. I would yield my time along with his time.

Mr. HEFNER. The gentleman from Texas.

Mr. COLEMAN. William Travis was from South Carolina and North Carolina.

Mr. HEFNER. We are out of the tournament, too, so—I don't believe Texas is in the final 16, though.

Mr. COLEMAN. We are proud of the Alamo and the history, Mr. Chairman, and I would hope we could stick to the facts and we would be a lot better off.

MILCON PROJECTS

I was interested in one thing, Admiral, that was the earlier statement you said about the military construction projects that you had submitted to the Department of Defense that made the cut through DOD and put through to OMB. If it is possible, I think there are a number of us that are going to try very hard this year, with all the cuts we have taken across the board in the military construction budget, we may attempt to try to do some of the things that we know we need to do as a subcommittee once again.

I would like very much for you, if it is possible, to give us a list of those items, or from DOD, if necessary, of those items that were approved at that level prior to the time they were actually submitted to OMB.

I do that only because I think in trying to prioritize where we are, we may be able to be helpful. You may have projects that you believe are most critical to it and they didn't make it. I would like to know which ones they are, and that is really our job here more than anything else. If you could submit that to us for the record?

Admiral LARSON. I will do that.

[The information follows:]

A total of ten projects in the Pacific Command area of operations were approved by the Services for FY 95 but not by OSD and therefore not in the President's budget. Total of projects deferred \$95.56 million. Two projects at Kwajalein for \$17 million, four Guam projects worth \$45.37 million, two Alaska projects worth \$4.67 million, and two Hawaii projects worth \$28.52 million:

Hazardous Material Facility, Kwajalein, MI \$8.9M;

Shore Protection, Kwajalein, MI \$8.1M;

Electrical Distribution System Upgrade, Schofield Barracks, HI \$24M;

Child Development Center, MCAS Kaneohe, HI \$4.52M;

Upgrade Transient Dormitory, Andersen AFB, Guam \$8.8M;

addition/alteration Physical fitness Center, Andersen AFB, Guam \$6.47M;

SOCOM Operations Complex, NAVSTA, Guam \$8.5M;

MILSTAR Terminal Facility, Elemendorf, AK \$.770M;

Communications And Security Police Facility, Akang Kulis, AK \$3.9M; and

Boiler Plant Replacement, Public Works Center, Guam, \$21.6M.

Admiral LARSON. To clarify, these were approved by the Services but the cut was in Office of the Secretary of Defense (OSD); not Office of Management and Budget (OMB).

Mr. COLEMAN. I am interested in the specific command issues. I have not spent much time there and I don't know them firsthand, but as was evidenced by earlier questions, a lot of us hear about them.

I would like very much for you to give us those projects and I would like you to review them as well. I am sure you have done that. And let us know the ones with the highest priority.

Admiral LARSON. There are 10 of them at about \$95 million. The good news is my top six all made it, so my priority list made it, but there are some that did not.

Mr. COLEMAN. Thank you. I would appreciate that list.

Mr. HEFNER. Mr. Dicks.

Mr. DICKS. Following up, Admiral Larson, these are the ones in Korea, South Korea?

Admiral LARSON. We have no MILCON in South Korea.

Mr. DICKS. So the problem we face—I was out there in August and again out there with Mr. Murtha in January and I guess it was February, but there is still great concern out there about a number of these projects that would seem—seemingly will never get funded by the South Koreans and that there are quality-of-life issues that ought to be addressed.

Now, were these on your list?

Admiral LARSON. They were not because we are not allowed to submit MILCON overseas. That is one of the pleas I made to the committee; I would like to plea for MILCON in Korea at the same time we work on increased host nation support.

Mr. HEFNER. Could I ask just this?

Mr. DICKS. Yes.

Mr. HEFNER. Who said you couldn't request projects for overseas? Where did the orders come from?

Admiral LARSON. We have had overseas MILCON zeroed out for several years. The Services' approach is if it is going to get cut at OSD then we don't want to submit it in our program, because we will lose the money.

Mr. HEFNER. It is a choice, not a command that you can't do it?

Admiral LARSON. That is correct. I would say it is a Service choice because they know the money is highly a risk. If they put it in their budget they would lose it.

Mr. DICKS. Well, you go out there and you talk to General Luck, and the other people, they really make this a very high priority to get this done. I just wanted to know your view. Do you think this is a high priority that should be funded by the Congress?

Admiral LARSON. Absolutely. what they should have is a two-pronged attack, put pressure on for host nation support, and have the flexibility in spending the money there. Similar to how we spend the money in Japan for quality of life projects supporting U.S. forces.

At the same time as that pot grows, you supplement it with U.S. MILCON so we can improve the quality of life for our people. The two-pronged approach is necessary to be successful.

Mr. DICKS. I think that is the right policy. We are going to try to do something on this. I know the Chairman is working with Mr. Murtha and Mr. McCurdy,

Mr. HEFNER. We talked about that earlier, yes.

Would the gentleman yield?

Mr. DICKS. I just wanted to say I strongly support this and want to help as much as possible to see that that happens.

Admiral LARSON. I appreciate that.

Mr. HEFNER. I was just going to make——

Mr. DICKS. I yield to you, sir.

Mr. HEFNER. We were told, I don't know, that Korea is where one of the excuses they give is that some of the facilities they are saying they are asked to subsidize or to build that their troops live in quarters that are less acceptable than that so why should they spend money to put American troops in facilities that are acceptable to them.

I don't know if that is a consideration or not.

Admiral LARSON. You hear the same argument in Japan.

Mr. HEFNER. I understand, but I wonder if that was one of the arguments?

Admiral LARSON. I have not heard it from the Koreans directly, but that is possible. We have higher standards for our people.

Mr. HEFNER. We would get the same arguments in this country if we built them here, but we don't have anybody protecting us so——

PATRIOT DEPLOYMENT

Mr. DICKS. What is the schedule for the Patriot deployment?

Admiral LARSON. I would expect them to be there by late April.

Mr. DICKS. Will they go by sea or air?

Admiral LARSON. By sea.

Mr. DICKS. Do you know where they are coming from?

Admiral LARSON. Not exactly, I know they are putting the ships together now and I am not sure where they will come from.

Mr. DICKS. I was just wondering if you know from which base they are coming from? Is it Fort Lewis?

Admiral LARSON. I can provide it for the record. I am not sure exactly which unit they would be coming from.

[The information follows:]

Yes. The Patriot Battalion deploying to Korea is from Fort Bliss, Texas. The battalion's organic equipment has been shipped by rail to Oakland, California. Patriot missiles stored at Red River Depot, TX, were also sent by rail to Concord, CA. SS METEOR and SS COMET will move the equipment and missiles to Korea. Approximately 850 personnel will deploy by air later to meet the equipment and missiles. The 11th Air Defense Brigade stationed at Fort Lewis, Washington, will provide a command, control and liaison element in Korea to assist the deployment.

Mr. DICKS. You think this is a good, wise decision to go ahead with the Patriot deployments?

Admiral LARSON. Absolutely.

TEAM SPIRIT EXERCISES

Mr. DICKS. What about TEAM SPIRIT, the exercises; are we going to resume TEAM SPIRIT? I am told we are.

Admiral LARSON. ——— Does this bother you? I have been told that somehow the numbers have been resolved, I always get worried of course when after we get a pretty good straight answer and we come back and tell people about it over at the Pentagon, and all of a sudden the numbers have been changed or resolved. Who is right here?

Admiral LARSON. Let me put this as delicately as I can.

Mr. DICKS. Why don't you make it just as accurately and forthrightly as you can?

Admiral LARSON. I will put it very accurately and very forthrightly. ———

Mr. DICKS. You might ask him because that is exactly what he told Mr. Murtha and myself and our delegation that was out there looking at it. We are concerned. ———

Admiral LARSON. ———

Is this an issue you are following and that you are concerned about?

Admiral LARSON. Yes, Sir. I am following it very closely. I have tasked General Luck to look at it and do an analysis. He is doing that now—relooking at his bomber capability to see what he needs.

I expect to have that by summer, early fall, and that will be a good look at it. I was able, with all the CINCs, to go over the bomber issue with the Secretary of Defense Resources Board earlier in the year before the budget went forward. It is one of the very many difficult tradeoffs we had to make to achieve our capability.

Part of the tradeoff was the competition between the B-52 and F-111. The F-111 has the precision-guided munitions capability. The ultimate trade was the B-52 for the F-111 to keep the precision guided munitions (PGM) capability so we could convert some other aircraft into that role.

POWER CENTERS

Mr. DICKS. What other problem areas do you have besides Korea?

Admiral LARSON. As far as potential for the future, I would say that Wherever Russia goes with her fragile democracy is a major concern. It will have an impact on the Pacific as well as Europe because those nations are very much aware of Russia and the balance of power question.

And I would say China, not a near-term threat, but the long-term evolution of China, where the government goes and how the military plays a role in China. And, what will they do with the resources if they continue this tremendous economic development and prosperity, how would they decide to reinvest that? What role do we want a prosperous China to take in the future?

I look at power centers out there and I see the power centers as Russia, Japan, North Korea, India, and China. How these power centers develop in the future and balance between those power centers politically, economically and militarily will determine the stability of Asia. China possibly has the potential for being the dominant power center in the Pacific.

Mr. DICKS. As I said, I was out in Asia twice this year and every country I went to I asked the top leaders about the fact that the U.S. keeps forces in the region and do they see that as important in enhancing stability. The answer was unanimous.

Admiral LARSON. Yes, Sir.

U.S. PRESENCE IN THE REGION

Mr. DICKS. Wherever we went, the answer was that all these various countries felt that keeping U.S. forces in the region was important for stability purposes.

Now, I assume you still agree with that? There are a lot of people in this Congress, you know, who would like to bring every soldier, sailor, airman back home. This is a major issue and we have to fend off these people on the Floor of the House who offer amendments to kind of do that, to do that; and you have noticed we have a major drawdown in Europe from where we used to be to about 100,000.

We are somewhere around 100,000 in the Pacific. Your view of that is that it is still an important thing for the United States to do?

Admiral LARSON. Absolutely, Mr. Dicks. I don't think there is anything I feel more strongly about than the possible impact of our forward presence in Asia to the overall interests of our country. I think a point worth making is I have 20 percent of the Armed Forces of the United States assigned to the Pacific and I cover more than half the earth, about 44 countries, and only less than a third of those are forward deployed. So a third of 20 percent is covering half the world in a way that I think helped us achieve significant foreign policy successes in Asia and contributed to a lot of economic prosperity.

CARRIERS IN JAPAN

Mr. DICKS. No doubt about it. That is the area with the most important economic impact.

We keep a carrier in Japan?

Admiral LARSON. Yes, sir.

Mr. DICKS. That is still I think a priority?

Admiral LARSON. It is a high priority. In fact, the carrier battle group and amphibious ready group in Japan are really the linchpin of our forward presence strategically speaking.

Mr. DICKS. If we go to all nuclear carriers do you see a problem with having a nuclear carrier in Japan?

Admiral LARSON. ———

SHIPS HOME PORTED IN JAPAN

Mr. DICKS. Another issue that comes up from time to time, and as you know I represent an area with a major public shipyard, Bremerton, Washington, I am proud of that, and there is the issue of work overhaul and which repair work gets done in the forward area in Japan. My position has always been that if it represented a quality-of-life problem for separating the ship from its home port that we ought to allow them to do some of that work in the forward deployed area.

Now, do you get involved in that kind of thing or is that someone on your staff who really gets involved?

Admiral LARSON. My Navy component Commander, Admiral Kelly, handles that, but I am interested in that and I watch that carefully.

Mr. DICKS. It doesn't seem to me we are going too much out there.

Admiral LARSON. I don't think so at all.

The basic kind of work is done in Japan. Ships that deploy are only allowed to do voyage repairs. The Navy has an audit trail of all the work, they can document voyage repairs to keep the ship fit for the mission. All the big work comes back to the home port in the United States.

Mr. DICKS. Thank you very much.

Thank you, Mr. Chairman.

Mr. HEFNER. Do you have anything?

RUSSIA

Mr. CALLAHAN. Could I follow up with one question to Admiral Larson?

Your comment about Russia intrigues me. You say Korea is—North Korea is your number one concern; Russia is your number two?

Admiral LARSON. Russia is in the top five.

Mr. CALLAHAN. Why are they in your top five? Do they have any military—any indication that they are building their military up or are we being—we are being told that they are downsizing much more rapidly than we are.

Admiral LARSON. No, Mr. Callahan, what I see in Russia that concerns me is not an offensive threat to the region or a build-up to the military, but I see a military that has a lot of modern equipment. A lot of this came from Europe. When I visited there the last time in the fall of 1992, I saw a tremendous number of T-80 tanks and the things coming in under the Conventional Forces in Europe (CFE) Treaty to the Far East. I see a military who used to be in the elite class of their society and is no longer the elite and for the first time they are concerned about their professional and personal future.

My concern for Russia is internal disintegration or fragmentation or chaos in the way that leads to chaos. My concern there is that in this unstable environment, the Far East tends to be more independent minded, more autonomy minded than some European republics. My concern is if the country doesn't make the transition to democracy, we could have chaos, or civil war or have a Zhirinovsky rise and take autocratic control and regenerate the military control it once had. There are several concerns. The near term is more of chaos than an offensive projection of power.

Mr. CALLAHAN. You don't have to answer it if you don't want to. Do you consider it a priority here, that the ———

Admiral LARSON. ———

Mr. CALLAHAN. ———

Admiral LARSON. ———

Mr. CALLAHAN. ———

Mr. HEFNER. Well, with that, we have some other questions for the record.

We certainly appreciate you being with us, Admiral. We are looking forward to your testimony this afternoon.

Mr. Dicks can ask those questions.

Mr. DICKS. I will try to come with new ones.

Admiral LARSON. I would like to say it is a pleasure always to come before your committee, and I thank you for your support all the way back to when I was superintendent to now. You have been very supportive.

Second, it is nice to come here and see a room with the Pacific in the middle of the map. Everywhere I go in Washington, I look at the Atlantic.

Mr. HEFNER. This is for the group that keeps insisting the world is round. It is definitely not.

Admiral LARSON. What you see is almost my whole area of responsibility (AOR).

EXERCISES IN THE REPUBLIC OF KOREA

Mr. HEFNER. We talked with General Luck—we talked about if we didn't work out something with the North Koreans, what about

the exercises? And he said we are going to have exercises. It may not be called the same thing.

Admiral LARSON. Absolutely.

Mr. HEFNER. Knowing General Luck we are going to have exercises. You may not call them the same name, but the exercises will go on.

Admiral LARSON. It is critical we do that and we know how to do it.

AIRLIFT AND SEALIFT

Mr. DICKS. Let me ask about one thing we didn't touch on; how do you feel about airlift and sealift at this juncture?

Admiral LARSON. ———

Mr. DICKS. ———

Admiral LARSON. ———

RESERVE UNITS

Mr. DICKS. Have you looked to see whether you have to have Reserve units. I worry about whether we get the call up authority quickly enough on deployment? Have you looked at that?

Admiral LARSON. Yes, and I need some of that.

Mr. DICKS. You need call-up authority?

Admiral LARSON. Yes, I do.

Mr. DICKS. Thank you.

Mr. HEFNER. Thank you.

JOINT OPERATIONS

Question. Admiral Larson, you have always given a high priority to joint operations throughout your area of responsibility. Can you give us several examples of ongoing joint efforts?

Answer. In addition to frequent training and an extensive exercise program, USCINCPAC is engaged in two ongoing joint operations—counterdrug operations and accounting for those missing from the Vietnam War.

USCINCPAC's counterdrug (CD) program is executed by JTF-5. Examples of recent joint operations include:

U.S. Army medical training team assigned temporarily (TACON) to CJTF-5 conducted a Combat Lifesaver Course for U.S. law enforcement agencies and select members of the Thai Counternarcotics Task Force.

Operation Sea Witch. Intelligence-cued detection and monitoring of maritime operations in the eastern Pacific by a U.S. Coast Guard Cutter, with embarked DOD cryptologic support, TACON to CJTF-5, and with maritime patrol aircraft reconnaissance support provided by USN, USAF and USCG aircraft.

Joint Task Force—Full Accounting (JTF-FA) is an organization composed of Army, Navy, Marine, Air Force and civilian personnel that routinely conducts joint/combined operations in Vietnam, Laos, Cambodia and China, with the mission of obtaining the fullest possible accounting for those missing from the Vietnam War. All operations are conducted with the participation and assistance of the host nations. JTF-FA teams are augmented and supported by USCINCPAC service components and units.

The most extensive of the joint/combined activities conducted by JTF-FA are termed "Joint Field Activities" or JFA's. JFA's are recurring events in Vietnam, Laos, Cambodia and China during which field investigations and excavations are conducted. In the period Jan. 92-Mar. 94, JTF-FA conducted 14 JFA's in Vietnam, 15 in Laos, 10 in Cambodia, and 1 in China.

JTF-FA also conducts ongoing joint/combined team operations (vice periodic scheduled JFA's) in Vietnam, Laos and Cambodia. These teams include the Priority Case Investigation Team in Vietnam, which investigates Last Known Alive discrepancy cases; the Special Remains Team in Vietnam, which investigates specific cases where disposition of an individuals' remains are an issue; Archival Research Teams in Vietnam and Laos conducting joint research of archives, museums and film holdings; and the Oral History Program in Vietnam, which seeks out and interviews individuals possibly knowledgeable of POW/MIA information. An archival research project is underway in Cambodia. Current activity is oriented towards determining whether archives exist containing pertinent information.

DRUG INTERDICTION

Question. What is the extent of current activities in the area of drug interdiction, particularly the activities of JTF 5 and the international heroin trade?

Answer. Under national level policy, the current USCINCPAC program, operationally executed by JTF-5, consists of the following four major areas: source and transshipment country team support; heroin intel analysis and fusion; DOD support to law enforcement agencies (LEA); and intelligence-cued detection and monitoring in EASTPAC. JTF-5's counterdrug (CD) operations focus on the heroin source nation support of Thailand and the objectives outlined by the National Linkage Strategy against heroin.

SPECIFIC ACTIVITIES

Source and transshipment country team support:

- Developed SE Asian Heroin Campaign Plan to support country teams of SE Asia and the National Linkage Strategy.

- Only provides support specifically requested and approved by the Ambassador:

- Analyst support to DEA Bangkok.

- Combat Life Saver Course in support of DEA Bangkok.

- Military skills training for Royal Thai Border Patrol Police.

- C3I equipment loans.

- Strategic intelligence products for tactical use.

- USCINCCENT, with the second largest heroin producing region in the world, has been utilizing the intelligence center at JTF-5 to supply CD analytical support and national intelligence imagery support.

Heroin intel analysis and fusion:

- Developed the only heroin intelligence fusion program currently producing actionable intelligence for law enforcement cases.

Provides real time fusion of foreign intelligence and LEA case information that is vital to operational law enforcement efforts.

Serves a customer base of multi-drug focused LEA tactical analysts and investigators from 50 federal, state, and local LEA units, often working with them in their facilities on the U.S. west coast and at U.S. embassies in Asia.

Devotes considerable time and effort on heroin databases, making its "corporate memory" a significant counterdrug asset.

DOD support to Leas:

- Controlled Buys.
- Equipment loans.
- Transportation support.
- Intelligence support.

Intelligence cued detection and monitoring. USCINCPAC only responds to intelligence and cued maritime drug trafficking events in the eastern Pacific West of longitude 92.

APEC

Question. Please describe for us any involvement the Department of Defense may have with the Asian-Pacific Economic Cooperation (APEC) forum. With last November's APEC meeting in Seattle, it appears that the Administration has embraced this 18-member body as the vehicle for strengthening ties between the United States and the countries in your area of responsibility. What opportunity do you have for input and participation in their deliberation?

Answer. The U.S. Pacific Command pays close attention to all cooperative arrangements related to economics and security in the Asia-Pacific region. The Asian-Pacific Economic Cooperation (APEC) forum is the premier organization for promoting economic cooperation within this dynamic economic region. While the Department of Defense currently has no direct official involvement in APEC, the U.S. Pacific Command sends observers to selected meetings when possible (e.g., the APEC Senior Official meeting in Honolulu, September 1993) and monitors APEC developments for their foreign policy and security implications.

There is no question that economies in the region, including the United States, are taking a broader view of security, a view that encompasses economic issues including energy, the environment, security of trade routes, protection of Exclusive Economic Zones and even the arms trade. Such issues are likely to emerge on future APEC agendas and DOD/USPACOM input and participation in these issues would be appropriate and productive.

KOREA

Question. What is the range of options being considered for presentation to the United Nations Security Council with regard to international access to North Korea's nuclear facilities?

Answer. The National Command Authority (NCA) develops and coordinates all proposals forwarded to the United Nations. It would be inappropriate of USCINCPAC to speculate on NCA deliberations on this topic.

Question. Have you been tasked to prepare military options in response to North Korea's continuing obstruction of international inspection of North Korean nuclear sites?

Answer. USCINCPAC routinely maintains numerous plans which address potential military contingencies in our area of responsibility.

Question. Do such options go beyond a resumption of joint U.S.-South Korean military exercises?

Answer. USCINCPAC routinely maintains numerous plans which address potential military contingencies in our area of responsibility. These plans routinely provide alternative courses of action.

Question. What is your personal view of the possibility that the refusal to allow inspection of certain facilities at Yongbyon is a pure bluff, calculated solely to increase North Korea's bargaining position on other issues and that there is no nuclear threat at all?

Answer. All indications show North Korea's Yongbyon nuclear complex was built and operated for the purpose of plutonium-based weapons production. The scientific community can estimate the amount of plutonium North Korea possesses, but to be sure they must take samples of the nuclear waste and this requires access to several key facilities.

Although North Korea has used doubts about its nuclear program as a political tool to achieve negotiations with the US, evidence strongly indicates that North Korea does have a nuclear weapons development program. ——— North Korea has no use for the recovered plutonium except as material for nuclear weapons. ——— Nevertheless, we estimate the chances are ——— that North Korea currently possesses one or possibly two ——— nuclear weapons, ———

Question. Is there any evidence that North Korea's only ally, China, is financing North Korea's nuclear program, or otherwise providing resources, manpower, or know-how?

Answer. China does not now nor ever did provide any meaningful support for North Korea's nuclear program. China may have provided a part for a nuclear reactor vessel on one occasion, and some North Koreans were trained in Chinese universities on peaceful uses of nuclear power. Indeed, the North Koreans may resent the lack of help China has given them.

North Korea's nuclear program is essentially a domestic program. Russia (then the USSR) did provide some technology, but their plants are based on 1950's English and French designs. The North Koreans even went so far as to rely upon their own uranium ore rather than to become dependent upon imported enriched uranium.

Question. What linkage, if any, do you see in North Korea's current behavior and the upcoming decision in June regarding China's progress on human rights and the renewal of "most favored nation" (MFN) trading status?

Answer. I really see these as two distinct issues. While North Korea may hope that the current state of play in the MFN versus human rights debate between China and the United States will make China less inclined to acquiesce in UN sanctions, North Korea's position on the nuclear issue is unrelated to MFN.

Pyongyang's decision to resist international efforts to resolve the nuclear issue was made many months ago when the conventional wisdom was that China and the United States were on a reasonably predicable road towards much better relations.

North Korea is also aware that China is not happy about the prospect of a nuclear armed North Korea. China and the United States are fundamentally united in their desire for stability on the Korean peninsula and a peaceful resolution of the North Korean nuclear issue.

Question. How are South Korea and Japan responding to all this activity from North Korea?

Answer. South Korea and Japan are very concerned about the North Korean nuclear weapons program. They are also using every diplomatic avenue to encourage North Korea to comply with IAEA inspections that will result in continuity of safeguards. Neither wants a North Korea with nuclear weapons. They are also painfully aware of the unpredictability of the Kim Il Sung regime and agree with our patient diplomatic approach. They recognize that it is necessary to exhaust every diplomatic approach before moving toward a more stringent UN mandated sanction regime. Both countries are also prepared to support a UN resolution against North Korea if the North remains recalcitrant.

Question. What is known about the current health of the 81 year old Kim Il Sung? Is it still our assessment that his son will succeed him eventually?

Answer. Kim Il Sung is beginning to show various symptoms common among elderly people, but he does not appear to be suffering from any serious illness. The gradual transfer of power from father to son has been underway for some time now, but we have no idea when it will be completed.

The elder Kim has no known life-threatening health problems, but he is suffering from various infirmities secondary to the aging process. A fatty, benign tumor on the back of the neck poses no serious health threat. — Kim suffers from progressive deafness causing him to wear a hearing aid, and requires assistance climbing stairs due to arthritis. Although over the past two decades he has clearly transferred to his son much of the day-to-day management of the government, the ruling Korean Worker's Party, and the military, he still appears to share responsibility for economic, foreign, and some military affairs with Kim Chong-Il.

Question. Is it correct that North Korea spends about one-fourth of its gross domestic product on defense, and that South Korea spends less than five percent? To what extent is North Korea's defense spending simply a public works program, as opposed to any investment in military capability?

Answer. The exact amount that North Korea spends on what we would consider defense is estimated to be 25% of gross domestic product (GDP). Because economic data on North Korea is both fragmentary and suspect, this estimate is indeed soft. It may be more.

North Korean troops are used to plant crops, build roads, mine coal, work in factories and to provide manpower for other non-military activities, but a significant portion of the time of 1.2 million military personnel is still devoted to military service. These 1.2 million people are a significant portion of the able-bodied and po-

tentially productive citizens of this country with a population of 22 million.

The amount South Korea spends on defense is based on their estimates of the gross domestic product. They usually target within a 3.9–4.5% range. It can drop if GDP drops. Last year we estimate South Korea spent 3.98% of GDP on defense.

Question. Last Thursday, (March 17) CIA Director Woolsey publicly confirmed that North Korea is developing two new ballistic missiles that are expected to have a range of more than 1,000 (for the “Taepo Dong-1”) and 2,000 miles (for the “Taepo Dong-2”). What threat does this pose in your region? If these missiles were exported, what further threat does this present? What threat do these missiles pose to Russia and China? Are these missiles capable of delivering a nuclear device?

Answer. Missiles with a range of 2,000 miles could threaten eastern Russia, most of China, Japan (to include Okinawa), Guam, and portions of Southeast Asia and the Philippines.

Longer range missiles could enable Pyongyang to threaten population centers or US military installations in Guam, Japan (to include Okinawa) and possibly Alaska. Eastern Russia and China would be within range of the systems as well. — In view of the probable poor accuracy of such missiles and their high unit cost, Pyongyang likely would opt to arm the systems with weapons of mass destruction (such as nuclear or chemical warheads) rather than conventional high explosives.

KAMCHATKA PENINSULA

Question. What is the current level of military activity on the Kamchatka Peninsula?

Answer. Russia has maintained ground, air and naval forces on the Kamchatka Peninsula. The bases near Petropavlovsk-Kamchatskiy, the major city/port on the peninsula, remain Russia’s primary ballistic missile submarine facilities in the Pacific, and the only Russian naval facilities with unrestricted access to the Pacific Ocean.

Petropavlovsk is a domestic commercial shipping and fishing port, but an adjacent bay (Talinskaya Bay) is the principal base for submarines of the Pacific Fleet, with two shipyards also located there. The naval and civilian populations of the peninsula, as well as the forces stationed there, must be supplied entirely by sea or air. The Kamchatka Peninsula and the Kuril Islands remain strategically important to the Russians as they form a protective barrier for the Sea of Okhotsk and eastern Russia. The Russians continue through both legal argument and practice and make the Sea of Okhotsk an “inland sea,” to control foreign military, fishing and commercial activity. —

Naval surface forces on Kamchatka are limited. —

Petropavlovsk—Yelizovo is the primary military airfield on the Kamchatka Peninsula. Part of this airfield, called Petropavlovsk-Kamchatskiy, recently began commercial operations as well. — three motorized rifle regiments, one tank regiment (T-72), one artillery regiment, a SAM regiment (SA-8), and several independent units. The independent units are one missile battalion, one recon-

naissance battalion, and one self-propelled artillery battalion.

Question. When was the last missile test conducted that impacted on the Kamchatsk Peninsula, _____

Answer. The answer to that question is in the areas of Sensitive Compartment Intelligence (SCI). Due to the extremely restricted classification, an SCI-level briefing to the Subcommittee, rather than passing the information in paper form, would be more appropriate. Recommend the Subcommittee contact Department of Defense to arrange for a briefing.

ALASKA

Question. How important are our installations on Shemya and Adak for the accomplishment of your various missions?

Answer. Our installations, Eareckson Air Force Station on Shemya and Adak Naval Air Station on Adak, are very important. They are strategically located and offer geographic proximity, operations, and training opportunities for our military that are difficult to find elsewhere.

Eareckson AFS remains a critical stopover point for intra-theater missions between Alaska and Japan. Without Eareckson AFS as a stopover/refueling point for our C-130 aircraft, they cannot traverse the northern Pacific. Eareckson AFS is being reviewed by HQ USAF and HQ PACAF for programmatic reductions, ultimately leading to a contractor operated airfield and minimum base operating support for remaining intelligence missions. Small scale intelligence missions are expected to remain on the island after programmed reductions.

Adak NAS is a critical stopover point in the north Pacific, as well. Typical P-3 intra-theater missions have been the primary users. Adak will continue to play a vital role as a stopover point, even after it achieves caretaker status on 1 July 1994. Anticipated operational usage after that time will be a minimum of once per quarter. Every deployment of a Maritime Patrol Squadron to the Seventh Fleet Area of Responsibility requires refueling at Adak. It will continue to serve as a vital stopover point in the event any contingency requires it. Additionally, the National Security Group Activity (NSGA) will continue to operate at Adak NAS.

Question. In your personal view, have military installations in Alaska received fair consideration for closure, given that none have closed?

Answer. Our bases in Alaska have been scrutinized by every round of the BRAC process. The Navy has cut back and reduced operations at Adak. Two Air Force bases, Galena and King Salmon, have been programmed to be warm-stored as detached NORAD alert sites, to be activated as needed within 24 months. A contractor preserves the base as an emergency and weather divert base. At Galena, the base has been in warm-stored site configuration since October 1993, King Salmon is scheduled to be reduced to warm-storage configuration in October 1994. The Army has realigned operations at FT Richardson, FT Wainwright and FT Greely in order to achieve operational savings. Our intent is to maintain a military presence in Alaska similar in size to the existing force: the Army around 6,200, the Navy around 1,000 and the

Air Force around 11,700. Alaska is strategically located and offers geographic proximity, arctic operations and training opportunities for our military that do not exist anywhere else in the U.S.

GUAM

Question. The budget request includes no funds for projects on Guam. Does that mean that there are no further requirements for new military construction or new family housing to support the relocation from the Philippines?

Answer. No, we still have valid MILCON requirements in Guam to support the relocation from the Philippines. With substantial Congressional support we have funded most of the original projects identified for Guam associated with the Philippine base closures. The following projects and estimated costs have been validated as required DOD/Navy projects that remain from the original list:

[In millions of dollars]

<i>Activity and facility</i>	
Naval Station: Seal Maint/storage facility	6.30
Naval supply depot:	
Gas bottle storage	1.24
Cold storage warehouse	15.50
NAVMAG Guam: Inert storehouse	4.80
Military Sealift Cmd: MSC operations building	2.17
Public works center:	
Trans parts storage	1.75
Waterfront utilities	11.84

JSTARS

Question. Please provide for the record the Pacific Forward Operating Location for the Joint Surveillance Target Attack Radar System.

Answer. ——— to serve as the Forward Operating Location for JSTARS.

Question. What is the Military Construction requirement at this location, and how much of this requirement will be met by the host nation?

Answer. Existing facilities will accommodate the Forward Operating Location for the aircraft TDY mission. If additional aircraft are required for contingency operations or are required to be forward stationed at this location, MILCON or Host Nation Construction would be required. The following facilities have been identified as requirements: a Squadron Operations/Life Support Facility with an Aerospace Ground Equipment hardstand, and an Aircraft Maintenance Unit with supply warehouse. Total estimated MILCON or Host Nation construction requirement is approximately \$7M. Facilities construction requirements associated with stationing of JSTARS aircraft has not been discussed with the Host Nation.

Question. Europe will receive six deployed aircraft, but the Pacific will receive just two aircraft. Are you satisfied with two? Was this limited by beddown requirements?

Answer. The two aircraft designated for USCINCPAC will provide adequate training and familiarization for Pacific forces. JSTARS deployment for crisis response will be consistent with total system availability world-wide and U.S. military strategy require-

ments. Beddown limitations have no effect on the planned routine deployment of JSTARS.

HAWAII FAMILY HOUSING

Question. In the past you have told us that family housing in Hawaii is one of your highest priorities. What is the current family housing deficit in Hawaii, and what is being done to reduce this deficit?

Answer. Family Housing in Hawaii is still a top quality of life and an Integrated Priority List issue for USPACOM. Hawaii has the highest cost in the nation for housing and a very low vacancy rate. The island-wide pent up demand for housing is approximately 18,500 units. The military has about 28,000 families in Hawaii and a military inventory of approximately 20,000 units. That leaves about 8,000 families competing with Hawaiian residents for limited affordable housing.

The current housing deficit is being determined through a Segmented Housing Market Analysis (SHMA), which will determine requirements, by Service, for Oahu. The market analysis is due out in the April/May 1994 time frame.

We are attacking the housing shortage by replacing units that are uneconomical to repair and by pursuing the construction of new houses through private/public venture housing, formally known as Section 802 housing. In the FY 95 President's budget, there is one Army housing project for 190 replacement houses at Schofield Barracks. We are also pursuing resolution of a Section 802 type housing project for the Navy at West Loch. The Economic Analysis for this 368 unit project has been submitted by the Navy and is being reviewed by OSD and OMB for approval and scoring resolution. If the project is approved by OSD and OMB, Congressional assistance may be required to appropriate funding for the termination liability and first year costs required for this project.

Sixty percent of the military housing inventory in Hawaii is more than 25 years old. Ninety percent is approaching the 25 year mark. Replacement and revitalization of existing units is a critical part of the acquisition strategy to keep the deficit at bay. Replacement and revitalization of the existing inventory is where the Services are focusing their resources.

Question. Is the Army going to continue to be the consolidated family housing manager on Oahu?

Answer. The Army will continue to be the coordinator and executive agent for selected functions of the consolidated family housing operation but funding responsibility will probably be shifted back to the Services. FY 93 Congressional report language directed the Services to fund new, replacement and improvements to their Oahu family housing units. The Army has not fully funded the requirements of the consolidated housing operation for FY 94. The cumulative effect of under funding the FY 94 operations account and the Congressional language shifting capital funding back to the Services has resulted in a Navy appeal to SECDEF for judgment of the funding issues and potentially the fate of the consolidated operations.

SECDEF held an Installation Policy Board Meeting on 25 March to resolve the Oahu housing funding issue and ultimately by the

consolidation. At the Installation Policy Board meeting, all Services, OJCS and OSD agreed to decentralize Oahu Family Housing except selected functions such as strategic planning, housing referral and furnishing management functions which will remain under Army as Executive Agent. Individual Services will program, budget and manage execution of family housing O&M and investment funding beginning in FY 95. Components and Service Headquarters are working on redefining the structure and responsibility of OCFHO.

The Installation Policy Board's agreement will go to the OSD Environmental Security Council on 8 April 1994 for final approval. Although the functions of OCFHO may change, I have requested that a consolidated management umbrella remain to maintain housing strategy, broad policy oversight and the management and operations features of consolidation that provide valuable service to the military members and make economic sense.

Question. The Army has a large family housing project in the budget, \$26 million for 190 family housing units at Schofield Barracks, but the Navy and the Air Force have no projects in Hawaii. Are the Navy and the Air Force programming for their family housing requirements, or is the Army expected to absorb these costs?

Answer. The Air Force has begun programming for their housing requirements on Oahu and has submitted Oahu housing revitalization projects beginning in FY 96. The Navy has not accepted the FY 93 Congressional report language that directs services to fund new, replacement and improvements to family housing on Oahu. The Navy appealed to SECDEF for judgment of the funding issue requesting SECDEF to require the Army to fund all requirements or to restore all funding requirements to the Services. The DUSD (ES/IC) Installation Policy Board is reviewing this issue and will make a ruling on it in April 1994.

BURDENSARING/HOST NATION FUNDED PROGRAMS

Question. Please describe for us the operation of the burdensharing programs in Japan and Korea, particularly the similarities and differences in criteria for host nation funding.

Answer. The U.S. State Department's Ambassador at Large for Burdensharing is responsible for negotiating burdensharing agreements with the governments of Japan and South Korea.

Korea.—South Korea and the U.S. negotiate an encompassing burdensharing agreement annually to establish South Korea's direct burdensharing contributions. South Korea's direct burdensharing program has grown from \$45 million in 1988 to \$220 million in 1993. For 1994, South Korea has agreed to contribute \$260 million, and in 1995 it will be contributing one-third of the direct costs for stationing U.S. forces in Korea, or approximately \$300 million. The exact burdensharing dollar amount for 1995 still has to be negotiated. The U.S. goal is for South Korea to be providing two-thirds of the direct costs for maintaining U.S. forces forward deployed in Korea by 1999 (currently estimated to be \$900 million).

The six major categories of ROK direct burdensharing are: Foreign national labor; joint South Korean-U.S. military construction

projects; ROK-funded construction of U.S. use-only projects; maintenance of war reserve stocks of supplies and ammunition; maintenance of U.S. equipment; and combined capabilities. Not included in these direct costs are the indirect costs incurred by the ROK providing U.S. military forces rent-free land for military bases, logistical storage facilities, training areas and ranges, and tax and customs exemptions under the ROK-U.S. Status of Forces Agreement; these indirect costs total approximately \$1.8 billion annually. The U.S. will soon begin negotiations with South Korea on post-1995 burdensharing contributions.

Japan.—There is no single all-encompassing financial burdensharing agreement between the U.S. and Japan. Burdensharing is provided for under four agreements: The 1991 Special Measures Agreement (SMA), which expires 31 March 1996; the 1977 and 1978 Labor Cost Sharing Agreements (indefinite); and the 1960 U.S.-Japan Mutual Security Treaty (indefinite). Under the SMA, we project Japan's 1995 direct burdensharing contribution to be \$3.8B, or 70 percent of the direct costs for stationing U.S. forces in Japan.

The major categories of direct Japanese burdensharing are: Land rent; foreign national labor; facilities construction; utilities; and claims. Indirect support provided by Japan not included in direct support categories includes land provided by the government of Japan, waived taxes on petroleum products, local procurement, customs, road tolls, and landing and port charges.

The SMA expires 31 March 1996, and a new agreement must be negotiated and approved prior to that date for Japanese burdensharing contributions to continue.

It is difficult and could be counterproductive to compare the absolute dollar value of Japanese and South Korean burdensharing contributions. For example, Japan has an economy fifteen times larger than South Korea, but because the South faces a very real military threat from North Korea, the South spends 25 percent of its national budget on defense, while Japan spends 6.4 percent. Additionally, because of its history, culture, constitutional limitations, and the fact that it is an island with no large amphibious invasion threat, Japan maintains a much smaller defense force than South Korea; therefore, Japan provides a comparatively larger burdensharing contribution than Korea. Additionally, different categories of direct and indirect burdensharing contributions have been negotiated with the U.S. by Japan and South Korea to reflect their unique political, security, and economic relationships with the U.S.

U.S. military forces in Japan and Korea are there to fulfill Treaty obligations and deter aggression against these countries. These forward deployed forces have significant regional missions as well. The presence of U.S. Forces is absolutely essential to furthering vital U.S. national interests in the Asia-Pacific. This is an area of robust economic activity and great importance to the United States. Access to Asian markets is a critical feature of our national strategy. U.S. military presence has a profound effect on the stability of Northeast Asia. Our forces ensure a stable balance of power essential to continued access to this vital region.

PACOM forces, bases, and logistics, and especially those operating from, around, and through Japan, contribute substantially to power projection into the Indian Ocean and Persian Gulf. It is accepted operational doctrine and a fact of life for U.S. military planners that PACOM forward deployed forces play a role significantly greater than simply providing for regional presence and crisis response in East Asia and the Pacific.

PACOM forces routinely support CENTCOM's peacetime presence requirements, and are essential to reinforce CENTCOM in response to crisis and in case of war.

Question: Please provide for the record a list of all projects that will be executed in fiscal years 1994 and 1995 under host nation funded programs in Japan and Korea.

Answer: Japan: The JFY94 Facilities Improvement Program (FIP) will not be approved until sometime in April 1994; therefore, exact budget figures or project listings of the final approved program are not available. It is anticipated that the JFY94 FIP budget will be approved at approximately one billion dollar equivalent at the current yen exchange rate. There have been no discussions with the GOJ on the level of FIP funding nor projects for JFY95; therefore no figures are available. However, it is anticipated that the JFY95 budget will not exceed the JFY94 funding due to an anticipated austere GOJ budget. The United States Government has been severely criticized by the Government of Japan for releasing project-by-project details through congressional records because of local political sensitivity and concerns over bidding process; therefore project listings cannot be released. We are providing general funding levels by major installation and facility category code grouping. Installations tentatively budgeted to receive over \$10 million worth of construction funds (at current yen rate) rounded off to the nearest \$5 million estimate:

Akasaki	60
Atsugi	115
Camp Fuji	20
Camp Hansen	35
Ikego	215
Iwakuni	90
Kadena	55
Misawa	60
Sagami	20
Sasebo	40
Camp Schwab	15
Yokosuka	135
Yokota	55
Camp Zama	45
Camp Zukeran	15

Tentative JF95 FIP draft budget allocations to various categories of facilities (at current yen rate) rounded off to the nearest \$5 million estimate:

Operations and Training	170
Maintenance Facilities	55
Supply	125
Medical	5
Administrative	55
Housing & Community Support	470
Utilities (infrastructure)	130

Korea.—The CY 94 and CY 95 projects for the Combined Defense Improvement Projects (CDIP) program and the Republic of Korea Funded Construction (ROKFC) program have not been finalized yet. The following is a listing by Service of the projects that are being executed out of the CY 90-93 CDIP programs and the CY 91-93 ROKFC programs:

[In millions of dollars]

<i>Installation project</i>	
Army Projects:	
Camp Carroll:	
War Reserve Storage	8.2
Sewage Treatment Plant	6.4
Camp Casey:	
M1/M2 Maintenance Facility	8.2
Ready Magazines	4.8
Barracks	11.8
Environmental Protection System	0.9
Dining Facility—West	5.5
Dining Facility—East	5.6
Camp Eagle: Apache Fielding	19.6
Camp Henry: HQ Building	4.7
Camp Hovey:	
M1/M2 Maintenance Facility	7.5
M2 IFV Maintenance Facility	4.1
Camp Humphreys:	
Apache Simulator Facility	1.8
Frozen Blood Storage Facility	4.4
Camp Long: Sewage Treatment Plant	1.1
Camp Page:	
Apache Fielding	11.2
Ammo Storage	0.7
Pusan Storage Fac: Cold Storage Addition	7.8
Camp Red Cloud: Barracks	9.2
Camp Stanley: Environmental Protection System	0.8
Camp Walker: Family Housing	2.1
Air Force Projects:	
Osan Air Base:	
Addition to Engine Inspection and Repair Shop	0.8
Upgrade Hardened Tactical Air Control Center (HTACC)	2.6
Aircraft Support Equipment Storage Facility	1.9
Revet POL Facilities	1.5
Replace Taxiway A (Phase I)	8.7
HTACC Survivability Improvements	3.6
Squadron Operations/Sensor	1.9
Maintenance Facility—Upgrade Korea Combat Operations and Intelligence Center (KCOIC)	0.7
Wargaming Center	4.8
Upgrade HTACC and KCOIC	5.7
Dormitory	6.5
Hazardous Material Storage	0.5
Furnishings Management Warehouse	0.9
Dormitory	12.7
High School	11.2
Kunsan Air Base:	
Aircraft Fuel System Repair Dock	3.0
Munitions Equipment Maintenance Facility	2.3
ECM Pod Shop and Storage	1.5
Security Police/Combined Defense Operations Center	0.6
Camp Humphreys:	
TRITAC Operations Facility	7.5
Navy Projects:	
Chinhae Naval Base:	
Navy Pier (Phase I, II, III)	30.5
Communications Center	1.3
Sewage Treatment Plant	2.2
Unaccompanied Officer Housing	2.9

Installation project

Camp Carroll: Contingency Fleet Hospital	7.8
Yechon: Upgrade Rapid Refueling System	0.9
Pohang Detachment: Quarters/Operations Facility	1.1

Question. Have the Japanese or Koreans declined to fund any projects that we requested in fiscal years 1994 and 1995? If so, what projects were denied, at what cost, and for what reason?

Answer. Japan: The JFY94 Facilities Improvement Program (FIP) will not be approved until sometime in April 1994; therefore, exact budget figures or project listings of the final approved program are not available. There have been no discussions with the GOJ on the level of FIP funding nor projects for JFY95; therefore no figures or project data are available. In general, the types of projects that the Government of Japan (GOJ) will not undertake under the FIP include:

Repair and maintenance projects because it is the GOJ's position that, under the Status of Forces Agreement, the United States Government is responsible for maintenance of its forces in Japan.

Projects which local authorities will not approve for political reasons. Local approval must be obtained before FIP funds can be expended at any location. This also includes ammunition storage facilities.

Projects which may appear to be extravagant to the local communities (such as bowling centers, skeet ranges, skating rinks, etc.)

Korea.—The CY 94 and CY 95 projects for the Combined Defense Improvement Projects (CDIP) program and the Republic of Korea Funded Construction (ROKFC) program have not been finalized yet. U.S. Forces Korea are totally dependent on the Koreans for funding of all major construction. In general, the Koreans are reluctant to fund construction of barracks, dining facilities, or maintenance facilities and their funding levels are insufficient to meet all the needs in Korea. Consequently, many of our soldiers are forced to continue to live, eat, and work out of substandard Quonset hut and relocatable type facilities. Current Korean Government funding levels will not remove the 4,000 soldiers still living in substandard barracks in Korea in a reasonable amount of time. The Korean construction cost sharing program is inadequate to buyout and modernize U.S. Forces Korea facilities and it appears this situation will not improve in the future.

Question. What steps are being taken to increase Korea's and Japan's contributions toward paying the stationing costs for U.S. forces?

Answer. The U.S. State Department's Ambassador at Large for Burdensharing is responsible for negotiating burdensharing agreements between the United States and governments of South Korea and Japan. These two nations lead all others in providing direct and indirect burdensharing contributions to defray the costs of stationing U.S. military forces on their territory.

South Korea has agreed to contribute \$260 million in direct burdensharing for 1994, and in 1995 it will contribute one-third of the direct costs for stationing U.S. forces in Korea, or approximately \$300 million. The U.S. Ambassador at Large for Burdensharing will soon go to Korea to negotiate the exact

burdensharing dollar amount for 1995. He will also begin negotiations on post-1995 burdensharing contributions; the U.S. goal is for South Korea to provide two-thirds of the direct costs for maintaining U.S. forces forward deployed in Korea by 1999.

Under the January 1991 U.S.-Japan Special Measures Agreement, which prescribes Japan's burdensharing contributions for the Japanese fiscal years 1991-1995, Japan's 1995 direct burdensharing contributions are projected to increase to \$3.8 billion, or 70% of U.S. non-salaried costs for U.S. forces in Japan, by which time Japan will be paying for all appropriate yen-based costs. While the U.S. has requested more flexibility in the use of these funds, this level of funding is considered adequate. Because U.S. forward deployed forces in Japan have regional missions in addition to the defense of Japan, we do not seek to have the Government of Japan offset all the direct costs incurred by the United States related to the presence of all U.S. military personnel there. The U.S. Ambassador at Large for Burdensharing is beginning the process of negotiating a new Special Measures Agreement; the current agreement expires 31 March 1996, and a new agreement must be negotiated and approved prior to that date for Japanese burdensharing contributions to continue without interruption.

PHILIPPINES

Question. What information can you provide as to how the Philippines Government is reutilizing the facilities we have vacated?

Answer. As a result of the Mt. Pinatubo eruptions, the majority of the former Clark AB continue to be unusable. The main runway is partially cleared to about 4000 feet making it suitable for light aircraft or vertical takeoff aircraft. Some previously utilized facilities (i.e. the civil engineering compound and the golf course) have been reclaimed and are in use. Housing has been gutted of all usable building materials, plumbing/electrical fixtures and appliances. Plans to convert the former Clark AB into an International Airport/Industrial Park have been initiated in the "Clark Development Project." Reutilization of any future development is estimated to be 10-15 years away.

At Subic Bay, a giant free trade and special economic zone is being established. It is here that the Philippine government expects 10 percent of the country's Gross National Product to be generated by 1998. The first phase of the free trade zone has been commissioned. Taiwan gave a credit of \$2.3 billion for further development and foreign investments worth \$350 million have been promised. Federal Express decided to set up its Asian headquarters in Subic Bay. American oil giant Coastal Petroleum takes care of its new markets in China and Vietnam from Subic's 2.4 million barrel capacity underground fuel depot. U.S. shoemakers Reebok and Timberland want to set up production facilities in Subic Bay for a Taiwanese subsidiary. A Malaysian undertaking has planned a 450-bed beach hotel with a golf facility and riding facilities.

KOREA—ENDURING INSTALLATIONS

Question. Please provide for the record a list of the approximately 30 "enduring installations" in South Korea.

Answer. The following are USFK's enduring installations:

Camp Casey, Camp Carroll, Yongsan Garrison, H-220 Heliport, Camp Hialeah, Camp Colbern, Bayonet Training Area, Oson Air Base, Command Post Tango, Camp Red Cloud, Kunsan Air Base, Camp Humphreys, Camp Kwang-Sa-ri, Pohang Detachment, Camp Walker, and Camp Pelham.¹

Camp Eagle, Camp Hovey, Pusan Storage Facility, Camp Market, Yongpyong, Pier #8—Pusan, K-16 Airfield, Mobile Training, Osan-Ni Ammo, Kimpo Mail Terminal, Camp Stanley, Koon-Ni Range, Camp Henry, Camp Page, and Chinhae Naval Base.

¹ Currently under consideration to be added to the enduring list.

INDEX

	Page
1995 Budget	4
Airlift and Sealift	27
Alaska	33
Asian Pacific Economic Cooperation (APEC)	29
Burdensharing	17
Burdensharing/Host Nation Funded Programs	17
Burdensharing—Living Conditions	12
Carriers in Japan	25
China	10
Chinese Involvement	8
Drug Interdiction	28
Foreign Policy Successes	4
Guam	34
Hawaii Family Housing	35
International Atomic Energy Agency	13
Introduction	1
Japanese Burdensharing	16
Joint Operations	27
JSTARS	34
Kamchatka Peninsula	32
Korea	29
Korea—Enduring Installations	41
Korea, Exercises in	26
Korean Peninsula	5, 7
Korean Peninsula Troop Strengths	18
MilCon Projects	21
Nonproliferation Treaty	13
North Korea, Possible Actions	8
North Korean Forces	20
Optempo	2
Patriot Deployment	14, 23
Philippines	41
Power Centers	24
Quality of Life	10
Republic of Korea, MilCon	16
Reaserve Units	27
Russia	25
Ship Repair	18
Ship Repair in Japan	16
Ships Home Ported in Japan	25
Specific Activities	28
Statement of Admiral Charles Larson	1
Team Spirit Exercises	23
U.S. Presence in the Region	24

U.S. Strength in Republic of Korea	Page 15
Weapons Proliferation	7



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